

MAYOR'S ANNUAL REPORT TO THE BELLA VISTA CITY COUNCIL
FOR THE YEAR 2020 AND LOOKING FORWARD TO 2021
AS REQUIRED BY STATE STATUTE §14-58-302

February 22, 2021

Many adjectives come to mind describing 2020: different, distinct, peculiar, offbeat, divergent, challenging and, at times, downright frightening! Of course, I refer to the COVID-19 pandemic that still plagues the world, although as I write, vaccines are being rolled out across the world, our nation, our state and our community. Social unrest that has been bubbling beneath the surface has flared to the forefront and given us all reason to pause. From my perspective all these challenges have strengthened our resolve to move forward in unity and with purpose. I quote Franklin D. Roosevelt in 1945, a time that was full of uncertainty as World War II drew to a close and, although everyone knew that the world would be changed forever, no one knew the outcome: "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

In Bella Vista we continued to move forward in 2020. In my State of the City address last year I highlighted 11 activities that were on the horizon. We completed 10 of them. The annual Garage Sale was canceled due to COVID- 19 concerns. The Farmers Market was also regrettably put on the back burner for the year.

Allow me to highlight some of our 2020 accomplishments:

- The residents of Bella Vista voted to approve a 1% sales tax to fund a \$24M bond for three very important projects – our very first Public Safety building for police and the District Court, a new fire station number 3 on Glasgow and a fire training facility.
- We adopted our 2040 Comprehensive Land Use Plan with extensive input from residents.
- We completed 50 miles of soft surface trails, including 8 tunnels and 3 bridges as part of the Little Sugar trail network in the central area of the city which is connected to the Back 40 trails on the east side.
- We processed and inspected 416 new residential construction permits, which translates into aggregate growth of 1,405 new houses or 3,602% since the end of 2013.
- A new traffic light was installed at the intersection of Highway 71 and Kingsland Road.
- The addition to our library was completed. Three new services were introduced by library staff in response to COVID – 100% digital resource services, curbside pickup and Grab 'n Go. The closing of the library due to COVID gave the staff the opportunity to complete an extensive reorganization of shelves and material as well as refurbishing the checkout area.
- Communications between the City and our residents became paramount, and our Communications Director stepped up to the challenge to explain the bond election, to participate in the daily COVID Joint Information Center conference calls to ensure that residents had the most up-to-date information, and to provide residents with relevant information about our local city council elections. The city also provided information to residents on the importance of participating in Census 2020, which was successful. Bella Vista had the highest self-reporting response rate in the state at 84%. In conjunction with the Discover Bella Vista team on the Advertising and Promotion Commission, we continued to promote trails and the healthy lifestyle of Bella Vista. As a result, for the second year in a row, the City of Bella Vista was recognized as

the state's Winner of the Tourism Development & Creative Culture Trendsetter Award, which is conveyed by Arkansas Business Magazine.

- Our Streets Department resurfaced 31 miles of road using asphalt and slurry. After many years of planning, they successfully widened and paved Rothbury Drive on the west side and County Road on the east side. They received 897 citizen requests of which 837 or 93% were completed in a timely manner.
- With the advent of COVID our Legal Department and Court had to completely revamp their processes to ensure the safety of all participants. This took weeks of effort by many people to pull together the end result. All arraignments were converted to Zoom calls. Parties were invited to appear in court remotely if they were unable or uncomfortable to appear in person. Given all these constraints, the Court was still able to initiate over 1800 cases and dispose of more than 1400 by the end of the year.
- The Fire Department was busy working on the bond project. They broke ground for new Fire Station Number 3. Our Community Paramedics began tele-health/COVID-19 testing in conjunction with Northwest Health Systems. They were the central point of contact for PPE for all city offices and responsible for fogging all city offices with disinfectant on a frequent basis. In late December they took possession of another remounted and completely updated ambulance, the fourth in as many years.
- The Police Department was also busy with the Bond project and the selection of an architect, civil engineers and construction manager. Throughout the pandemic our officers and staff have continued to provide excellent service. They established protocols that balanced officer safety and health with community concerns and needs. Appropriate staffing levels have been maintained throughout the entire department.
- Administration has also been on top of their game. HR released a new Employee Handbook, streamlined our health benefits system, adjusted the HSA plan, and selected a new payroll system to be cut over in 2021. The preparation for the new system absorbed countless hours of their time. On top of all this they continued to guide employees through their particular COVID experiences. Our IT department reacted quickly to the changing business world by introducing Zoom capabilities in all department. During the closure of the Library, they worked with AT&T to bring fiber optics into the Library eliminating the need for satellite internet which was questionable at best. They continue to expand our network security, have completed the installation of all computers and electronic ticketing in Police patrol vehicles and upgraded the computers used by our Code Enforcement Officers and Building Inspectors. This has been a busy year for Finance. Our Finance Director was the central figure in our bond issue, which required many hours of planning, creating new budgets, tracking and working with underwriters and our bond counsel. The Director spent weeks working with State Finance and Administration grant contractors to complete the very detailed paperwork and submission requesting a state grant from the CARES Act. Thanks to her efforts, the city received a little over \$1M!
- We ended 2020 with an unrestricted reserve balance of \$9.4M, which is \$3.4M greater than our budgeted ending balance of \$6M. This ending balance of \$9.4M equals 55% of our annual unrestricted revenue of \$17.1M.
- Total 2020 General Fund revenues (restricted and unrestricted) of \$20.8M exceeded 2019 revenues by \$89K.

- Total 2020 General Fund revenues (restricted and unrestricted) came in at a budget deficit of \$1.7M. This deficit is comprised of a \$2.6M deficit in grant revenue budgeted for the ARDOT Mercy Way Bridge and was offset by surpluses in almost every other category of revenue collected by the City.
- Separating the unrestricted revenues from total 2020 revenues, we have an unrestricted revenue surplus of \$995k. The main sources of 2020 revenue surpluses are in Sales Taxes at \$668k, Property Taxes at \$68k, and Building Inspection Fees at \$152k.
- Street Fund revenues for 2020 exceeded 2019 revenues by \$113k and exceeded the 2020 budget by \$135k.
- General Fund 2020 operating, capital improvement, and debt service expenditures of \$19.9M exceeded 2019 expenditures by \$2.2M but came in under budget by \$7M. Unfinished capital projects such as the Mercy Bridge expansion project contributed \$5.4M of this surplus, with the majority of the remainder coming from savings in cancelled travel and training expenditures due to the pandemic.
- Street Fund 2020 operating expenditures of \$3.3M were \$164k less than in 2019 and came in under budget by \$327K.

The year 2021 promises to be a very exciting year full of infrastructure improvements.

- Fire Station Number 3 on Glasgow: Construction will begin soon. Estimated completion is October 1.
- The Public Safety complex has 60% drawings and Chief Graves be asking Council in May for permission to move forward with construction. Estimated timeframe for construction is one year.
- Fire Training Facility: In the process of obtaining land.
- Blowing Springs/Metfield connector: Estimated completion by the end of March.
- ARDOT is planning to resurface Hwy 279 (Forest Hills Blvd) from Hwy 72 to the Missouri border. The project will start within two to four weeks. Estimated completion is mid-2021.
- The approved 2021 City budget has \$2.6M set aside for street re-surfacing. This is double the normal annual re-surfacing budget.
- ARDOT will begin work on the Little Sugar and Tanyard Creek bridges on State Hwy 340 (Lancashire Dr.) this spring.

We will continue to work closely with the Arkansas Department of Health as well as local medical providers as we navigate through the vaccination stage of eradicating the COVID-19 virus.

Other projects under consideration include Impact Fees for new residential and commercial construction. As we continue to grow in size, the city must ensure that we have the financial resources to expand our services. We are reviewing the possibility of opening our Farmers Market in 2021. We plan to replace three wayfinding signs that have been destroyed by vehicle accidents as well as the straight-line windstorm of 2019.

As always, on behalf of all members of City Council, I extend our thanks to the many volunteers in our community who tirelessly help with the Library, Animal Shelter, trail maintenance, the recycling center, the museum, our churches, community groups and service clubs all of whom are vital to the success of our wonderful community. I also extend a huge thank you to our employees and their supportive families. We have a great team for a great city.